



June 21, 2023

House Energy, Communications, and Technology Committee
124 N. Capitol Ave
Lansing, MI

RE: HB 4759 – OPPOSE UNLESS AMENDED

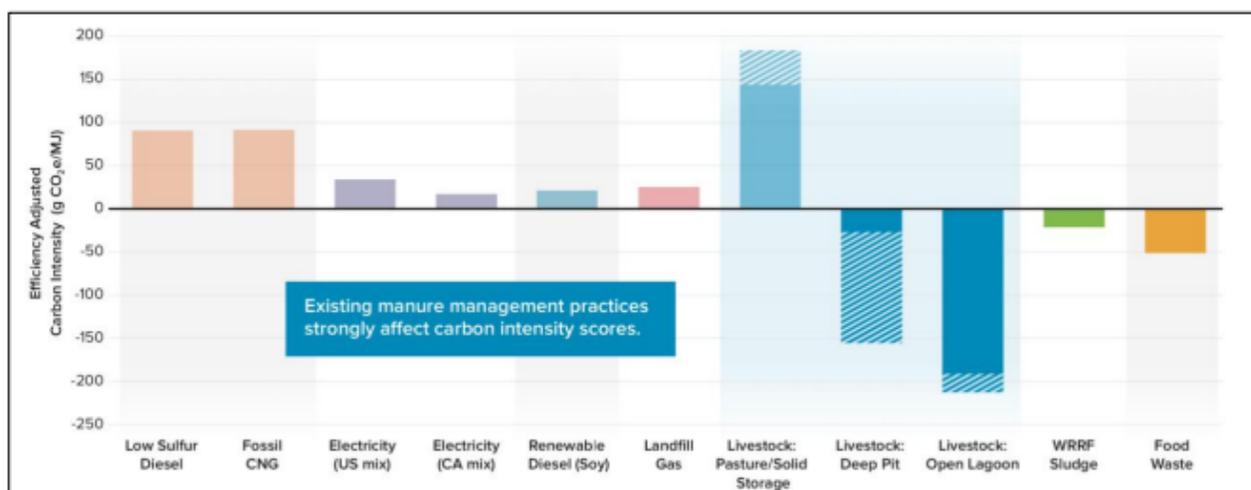
Dear Chairwoman Scott and Members of the Committee,

The Coalition for Renewable Natural Gas (RNG Coalition) writes in strong **opposition to HB 4759 unless amended** to retain biomass as a renewable energy resource, with exclusion of incineration of non-biogenic municipal solid waste (MSW). As introduced, HB 4759 removes a source of renewable electrical generation amidst a shift towards broader electrification and disincentivizes effective methane management systems, which could lead to increase greenhouse gas emissions.

The RNG Coalition represents and provides public policy advocacy and education for the renewable natural gas (RNG) industry across North America. Our organization comprises over 350 members—cities, counties, airports, ports, municipalities, colleges, universities, and leading companies operating in each sector of the industry—including those who capture, clean and condition greater than 95% of all RNG in the United States and Canada.

Decarbonizing energy production is imperative in order to address climate change. As the future of energy transitions towards renewables, electrification, and increased EV charging demands, it's critical to maintain a diverse portfolio of renewable energy to meet the increased demands on the electric grid. RNG utilizes methane emissions from existing waste streams such as food waste, animal manure, and wastewater, and converts it into a renewable, low-carbon alternative to fossil fuels (as illustrated in the chart below, provided by Argonne National Laboratory¹), and a sustainable alternative to generating dispatchable power that complements intermittent renewable sources like wind and solar.

¹ https://www.anl.gov/sites/www/files/2020-11/RNG_for_Transportation_FAQs.pdf



Some RNG pathways have very low carbon intensity (CI) scores because they capture emissions that would otherwise be released to the atmosphere. For farms with manure lagoons that currently emit high levels of methane, RNG production can yield negative CI scores. Diagonal lines in bars represent the range of carbon intensity scores that can be achieved with corresponding RNG projects. (CA = California; CNG = compressed natural gas; CO₂e = carbon dioxide equivalent; g = gram; LFG = landfill gas; MJ = megajoule; RD = renewable diesel; WRRF = water resource recovery facility.) (ANL GREET)

RNG production and use provides valuable co-benefits that supports the overall goals of this climate package, such as: 1) the displacement of anthropogenic carbon dioxide emissions from fossil fuel combustion, 2) the critical near-term GHG benefits of increased methane capture and destruction, and 3) additional environmental benefits resulting from improved organic waste management.

By removing the biomass from the RES, this bill would disincentivize the use of effective methane capture systems in the waste management and agricultural sectors, which risks *increasing* methane emissions. Landfill gas capture systems and anaerobic digesters can be costly to install and operate, but programs like the RES incentivize companies to invest in these technologies because there is a market for this resource. Eliminating biomass from the RES may lead to less effective or no methane management. In the case of landfills, without inclusion in the RES, there would be increased flaring. Smaller landfills that aren't required to flare the gas could emit methane freely, which will impact local communities in addition to increased emissions. The RES remedies this issue by incentivizing landfills, regardless of size, to capture the methane for RNG production. Likewise, anaerobic digestion with RNG production is considered the most effective method for manure management by the EPA.² On-farm RNG production also provides several unique co-benefits such as investment in rural communities, supplemental revenue for farmers, and potential to promote soil health by converting the nutrients in manure to forms more accessible to plants that can directly replace fossil-fuel derived chemical fertilizers.³

Additionally, the risk for “economic leakage” should be taken seriously. If enacted, this bill may drive businesses in Michigan to other states who do provide incentives for renewable energy production.

² *Practices to Reduce Methane Emissions from Livestock Manure Management*. United States Environmental Protection Agency. <https://www.epa.gov/agstar/practices-reduce-methane-emissions-livestock-manure-management>.

³ <https://www.epa.gov/agstar/benefits-anaerobic-digestion>.

Companies considering Michigan for RNG-to-power projects may instead consider locations in Ohio, Indiana, or Wisconsin over Michigan, which would ultimately result in missed opportunities for job creation and investment in rural and environmental justice communities.

In order to avoid potential increases in methane emissions from landfills and other sources of biogenic waste, and the threat of economic leakage, RNG Coalition urges you to amend HB 5789 to retain biomass under the RES, with the exclusion of incineration of non-biogenic wastes.

RNG Coalition urges you to **oppose HB 4759 unless amended** because Michigan should not limit viable renewable energy resources to decarbonize its electric grid and reduce emissions. RNG, like other forms of renewable energy, plays an important role in our state's climate and energy future.

Sincerely,

/s/

Dana Adams

Legislative Policy Manager

Coalition for Renewable Natural Gas